VZCZCXRO1052 OO RUEHCN RUEHGH DE RUEHIN #0326/01 0710647 ZNY CCCCC ZZH O 110647Z MAR 08 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 8311 INFO RUEHBJ/AMEMBASSY BEIJING 7912 RUEHUL/AMEMBASSY SEOUL 9395 RUEHKO/AMEMBASSY TOKYO 9653 RUEHCN/AMCONSUL CHENGDU 2440 RUEHGZ/AMCONSUL GUANGZHOU 0995 RUEHHK/AMCONSUL HONG KONG 9169 RUEHGH/AMCONSUL SHANGHAI 1811 RUEHSH/AMCONSUL SHENYANG 6410 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RHHJJAA/JICPAC HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000326

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SUBJECT: CONCERNS IN SOUTHERN TAIWAN ABOUT DPP PROSPECTS IN

THE PRESIDENTIAL ELECTION

Classified By: AIT Director Stephen M. Young, Reason 1.4 (b/d)

- Summary: Some DPP officials and pro-DPP political experts in southern Taiwan express pessimism about the DPP's chances of winning the 2008 presidential election. Chiayi County Magistrate Chen Ming-wen (DPP) told the Deputy Director on March 8 that at this late stage in the campaign DPP candidate Frank Hsieh needs to come up with more issues like his attacks on the "one-China common market" that have resonance with southern voters; otherwise he will need a "miracle" to win. One political expert in a separate meeting said morale among southern DPP supporters remains low and many political families in Chiayi have been tilting toward Ma in hopes of enjoying the spoils of a KMT administration. Another political expert emphasized that Hsieh's attacks on the common market and Ma's U.S. green card were lowering support for Ma in the south, but if pushed too far, negative campaigning could backfire and scare off independent voters. End Summary.
- 12. (C) In a meeting with the DDIR on March 8, Chiayi County Magistrate Chen Ming-wen (DPP) admitted that DPP presidential candidate Frank Hsieh will have a difficult time winning the presidential election on March 22. Chen said that the KMT has learned from its past campaign failures and become better at emphasizing its affiliation with Taiwan. This "localization" of the KMT, Chen explained, has neutralized the DPP's ability to effectively use Taiwan identity-related issues in this election. At the same time, he noted that the DPP never developed grassroots organizations that could match the KMT's.
- 13. (C) The KMT has also controlled the campaign agenda from the outset, keeping the focus on the economy, Chen noted. Having lost the initiative on this issue, Hsieh has had to stake out positions similar to Ma's. The corruption scandals surrounding President Chen, his family, and staff that broke over two years ago, moreover, have tarnished the DPP and Hsieh by extension, dramatically weakening the effectiveness of the DPP's use of the "anti-corruption" card. Despite Ma's clean image, Chen Ming-wen argued, Ma is only "beautiful wrapping" over a KMT political machine of entrenched corruption. Chen added that as president Ma would have a difficult time keeping KMT corruption in check.

- 14. (C) Chen told DDIR that the only bright spot in Hsieh's campaign so far has been the attack on Ma's "one-China common market" idea, which has increased anxiety about Ma's cross-Strait policies among light Green and independent voters. Questions about Ma's past U.S. green card, Chen added, are only effective in energizing the core DPP base, but are too abstract and removed from everyday concerns to have much resonance with other voters in Chiayi and southern Taiwan. Apart from these two issues, Chen said Hsieh needs to come up with other issues that have resonance with southern voters; otherwise he will need a "miracle" to win.
- 15. (C) Chen attributed the relatively "cold" election atmosphere to Hsieh's laid-back and unaggressive campaign style, adding that he was concerned this approach was not energizing enough of the DPP base and could cost Hsieh the election. Although Chen said he could not fully explain Hsieh's strategy, he speculated that perhaps Hsieh believes minimizing political confrontation and dampening enthusiasm will reduce turnout by KMT supporters in the north more than the DPP core in the south. Chen expects the race to heat up in the last week and is hoping the island-wide rallies on March 16 to oppose Beijing's anti-secession law will boost the enthusiasm of DPP supporters. However, Chen added that the KMT is preparing its own activities, which are likely to offset the effects of the DPP event.
- 16. (C) In a separate meeting, National Chung Cheng University (NCCU) Director of the Institute for Strategy and International Affairs Soong Hsiek-wen told the DDIR that the political winds are shifting in favor of Ma and that grassroots politicians are bending in the same direction in hopes of enjoying the spoils of a KMT administration. After

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the DPP's drubbing in the January legislative election, morale among party supporters in the south remains low and local DPP leaders have not been able to mobilize their base. The DPP's political infrastructure in Chiayi has been severely weakened because the county split its two legislative seats between the DPP and KMT and the city's sole seat went to the KMT, added Soong.

17. (C) NCCU Professor of Political Science Joseph Tsai struck a more optimistic note with the DDIR, emphasizing that Hsieh's attacks on the "one-China market" and the green card issue were changing people's positive image of Ma and lowering Ma's polling numbers. Tsai believed the negative nature of the campaign could backfire, however, if pushed too far. In contrast to some other AIT contacts, Tsai said he has not seen a significant shift among young people away from the DPP to the KMT and expects them to turnout in larger numbers to vote in favor of Hsieh on March 22. Tsai added that because the KMT will win by a bigger margin in the north than in 2004, Hsieh will need to improve upon President Chen's strong showing in southern Taiwan to compensate.

YOUNG